



GARY R. HERBERT
Governor

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Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

September 28, 2015

CERTIFIED RETURN RECEIPT
7013 3020 0002 3659 6238

Louie Zamaroni
Zamaroni Quarry, Inc.
3500 Petaluma Hill Road
Santa Rosa, California 95404

Subject: Notice of Non-Renewal of Letter of Credit Zamaroni Quarry, Inc.,
Antelope Valley Quarry, S/039/0016, San Pete County, Utah

Dear Mr. Zamaroni:

Please review the enclosed notice of non-renewal notification from Exchange Bank indicating letter of credit (LOC) _____ in the amount of \$18,600.00 for the Antelope Valley mine will not be renewed. According to the terms of the LOC, the bank may elect not to renew as long as a 90-day notice is given to the Division of Oil, Gas and Mining (Division). Although the letter from the bank does not mention the 90-day notice, the Division is considering that it will not be renewed effective 90 days from its receipt of the letter which is December 24, 2015. Paragraph 5 of the reclamation contract says the operator shall provide a replacement surety within 60 days following the Division's receipt of the cancellation/termination notice.

You are hereby advised that the Division must receive a replacement form of surety on or before November 24, 2015, or the Division will be forced to do any/some of the following:

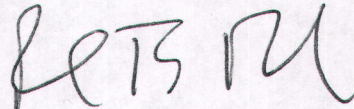
- Carry out the terms of LOC number _____
- Submit a request to the Board of Oil, Gas and Mining to withdraw the permit.
- Issue a cessation order requiring the cessation of all mining operations and the immediate reclamation of all lands affected. A fine will be associated with the cessation order.



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Louie Zamaroni
S/039/0016
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If you have questions or require assistance regarding the surety, please contact Penny Berry at (801) 538-5291 or by e mail at pennyberry@utah.gov. Thank you in advance for your prompt attention to this important permitting requirement.

Sincerely,

A handwritten signature in black ink, appearing to read 'PB' followed by a stylized flourish.

Paul Baker
Minerals Program Manager

PBB:pb

Enclosure: Notice of Non-Renewal, Copy of Letter of Credit

Cc: Justin Hubbs, Exchange Bank

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